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UNCLAS ABUJA 001731

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: [PGOV](#) [PINS](#) [EPET](#) [ECON](#) [NI](#)

SUBJECT: GAS STRIKE: HEARTBURN TO BEGIN OCTOBER 9

REF: A. LAGOS 2078

[B](#). LAGOS 2069

[C](#). ABUJA 1668

SENSITIVE BUT UNCLASSIFIED, NOT FOR PUBLICATION ON THE INTERNET OR INTRANET.

[1](#)1. (SBU) It seems certain that a strike and/or demonstrations will start in at least some parts of Nigeria October 9, led by a coalition of unions and NGOs protesting President Obasanjo's September 30 deregulation of gasoline prices. Violence could easily erupt, although the Nigeria Labor Congress (NLC) in Abuja has promised not to disrupt the All-Africa Games there and police nationwide have reportedly been ordered to show restraint in dealing with peaceful protest. In the previous strike over a raise of gasoline prices in late June, President Obasanjo ignored the situation in public at first, as he is doing already this time, and pushed the National Assembly leadership (mainly Senate President Wabara) to mediate the issue informally before sending in GON negotiators. Obasanjo agreed to a compromise gasoline price in July, the day before the oil unions NUPENG and PENGASSAN were to join the strike, but the compromise this time may go toward increasing gasoline supply and slowing the pace of deregulation rather than another compromise long-term pricing point. The National Executive Council held its regular meeting October 8, and GON Ministers were generally unavailable for comment on the strike.

[1](#)2. (SBU) Senate President Wabara has already begun informal negotiations for the GON, his office tells us, even though his public line is that the GON did not raise gasoline prices (i.e. the GON deregulated, but it is the distributors that are raising the price -- a sophistry). Speaker of the House Masari, also an Obasanjo ally, has been taking the same public line and calling for a restoration to the price of 34 Naira per liter. Wabara has already, by October 7, met twice with NLC leaders, and we have heard unconfirmed reports that more meetings have since taken place. On October 8 the NLC continued to publicly state that they were open for negotiation, with no official response from the GON.

[1](#)3. (SBU) The governmental group that appears to be most worried about the strike at the moment is the police. After getting hammered by the press over deaths from the last strike (we estimate 18 persons nationwide), which the Inspector General denied, the police are now dealing with the additional accusation that their tear gas contributed to the recent death of ANPP Vice Presidential candidate Chuba Okadigbo (Ref C) at a rally in Kano. The National Police formally announced October 7 that the demonstrations are legal, and instructed all officers to be very careful about the indiscriminate use of force, and only to use force in the event of violent disorder. Nevertheless, FM Adeniji told the Charge October 8 that the National Executive Council had decided for the Solicitor General seeking a court order against the strike on the grounds that the unions had not given enough advance notice under Nigeria's labor laws.

LUKMAN RESIGNATION

[1](#)4. (SBU) An additional wrinkle appeared October 7 with the resignation of the Senior Special Advisor to the President on Petroleum, Rilwanu Lukman. The resignation letter cited no reasons, but his office confirmed to poloff that the Advisor had been uncomfortable with a separate conflict between the Nigerian National Petroleum Company (NNPC) and the Revenue Mobilization Allocation and Fiscal Commission.

[1](#)5. (SBU) Lukman actually tendered his resignation directly to the President on October 2. Lukman's office confirmed October 8 that he would remain President of OPEC for the indefinite future, but would most likely have to step down as

co-chair of NNPC, as that post was linked to his post as
Presidential Advisor.
ROBERTS